

ASSAY OFFICE AT DEADWOOD.

MARCH 10, 1880.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. STEPHENS, from the Committee on Coinage, Weights, and Measures, submitted the following

REPORT:

[To accompany bill H. R. 1306.]

The Committee on Coinage, Weights, and Measures, to whom was referred the bill (H. R. 1306) to establish an assay office at Deadwood, in the Territory of Dakota, after mature consideration, have come to the conclusion that the bill ought to pass, and have directed me so to report.

As the reasons which induce them to come to this conclusion are so clearly and fully set forth in a paper submitted to the committee, through their chairman, by Hon. Granville G. Bennett, Delegate in this House from the Territory of Dakota, it is thought unnecessary to do more by way of argument than to submit that very clear and able paper in elucidation of the facts and the necessity for the establishment of the desired assay office at Deadwood.

Mr. Bennett's paper is therefore appended to this report, and asked to be considered as part of it.

APPENDIX.

To Hon. ALEX. H. STEPHENS,

Chairman Committee on Coinage, Weights, and Measures:

SIR: I have the honor to submit a few facts and figures showing why H. R. 1306, being a bill providing for the establishment of an assay office in Deadwood, Territory of Dakota, should become a law.

It has been some time since the presence of precious metals in that region known as the Black Hills became an admitted fact; but the richness of the country was not known until the latter part of 1875 and fore part of 1876. In the spring of the latter year gold hunters began to pour in there by the thousands, and it was during that summer that its real wealth was demonstrated by actual prospecting and mining. I will state here that it is or will be very difficult to approximate the yield in bullion, including dust, since the occupation of the country and working of the mines. No regular express company has had any line connecting with the Hills, and the treasure has been carried out by individuals, by coaches, by freight trains, and, in short, every kind of transportation.

The large mining companies have been very reticent in regard to the yield of their mines, while the travel on the roads leading to the Hills for much of the time was dangerous, being infested by highwaymen; those carrying treasure were careful to conceal the fact, especially the amount in their possession.

During the first year but little was done in quartz mining, and the product from that source was comparatively small. A few arrastras were in operation which answered the purpose of developing the mines and proving the richness of the ore. But during that year (1876) it is well known a large amount of dust was taken out of the placer mines. Out of one claim, known as the Wheeler claim, from \$40,000 to \$80,000

was taken out, and the claim is still being worked with profit. Many other claims were doubtless quite as rich, but I never heard any one estimate their yield.

In the Southern Hills placer claims, or what are known as dry and gravel diggings, have proved very rich. But the great and permanent wealth of the Hills consists in its quartz and its immense deposits of gold-bearing substances. The best proof of this is to be found in the enormous outlay of money by wealthy companies for machinery, and in opening up and developing these mines.

There is now in operation not less than 1,300 stamps, the mills running from 10 stamps to 120 stamps. Each stamp will crush, on an average, one and a half tons of ore per day, which ore, on an average, will yield \$10 per ton, or \$20,000 per day, which gives a yield for the year of over *seven millions* of dollars. This, of course, does not include the product of the placer mines. It may not be entirely accurate, but is as near, probably, as can be reached.

Many discoveries have recently been made in the southern portions of the Hills equally as rich as any now being worked, and the probabilities are the number of stamps will be duplicated before very many months. Most of the quartz mining now carried on is confined to the northern portion of the Hills. When the whole extent of that mining region is opened up and developed, it will prove the richest on the continent.

In addition to gold, some very rich silver mines have been discovered and are now being worked. On these mines there are now two mills, with a prospect of more being erected in the near future.

To show that my estimate of the yield is not too high, I will state that I saw one "clean up" of the Homestalk Mining Company, after a run of 15 days on 250 stamps, and the yield in bullion was \$100,861, or over \$26 to the stamp per day, while my estimates above give but \$15 to the stamp per day, which show it low enough to be safe.

Even in what is known as the mining belt, where most of the milling is now being done, there are any number of mines, some of recent discovery, which prospect well, and which will doubtless soon be developed and worked.

To those personally acquainted with these mines, there is no question as to their richness. But Eastern capital will not invest on the mere statement of an individual, but insist upon an assay of an official character or compel the owner to be at the great expense of having an assay made at some distant government assay office or having the mines examined and the ore assayed by some one to be sent from New York or San Francisco. This is a great drawback to the development of the country, and retards the sale of valuable property. No other mining region in this country, though not half so rich as the Hills, but what has either an assay office or a mint. There is a mint in San Francisco, one in Carson City, Nev., one in Denver, Colo., and an assay office in Helena, Mont., one at Boise City, Idaho, while the Hills, yielding its millions of bullion annually, is not nearer than over four hundred miles to a mint or assay-office.

Respectfully submitted.

GRANVILLE G. BENNETT.